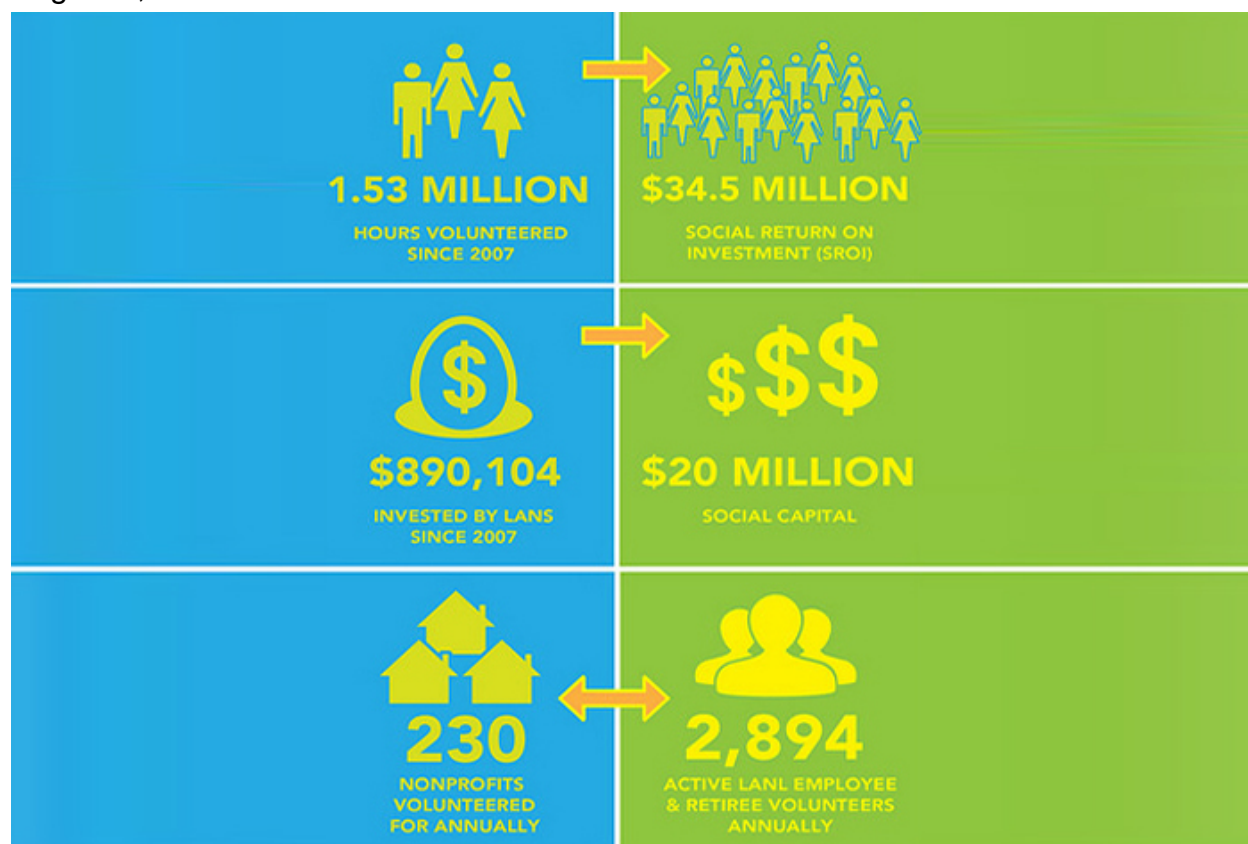


Nonprofits create big economic impact in northern New Mexico

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The fact that nonprofit organizations are a vital part of the economy in northern New Mexico is nothing new. Statewide, nonprofits reported a combined \$5.9 billion in revenue in 2013, according to the Internal Revenue Service (recently cited in the *Albuquerque Business First* article, [“New Mexico Nonprofits: Big Business, Big Influence”](#)). However, the huge economic impact they have may be surprising when measured in social return on investment (SROI).¹

Los Alamos National Security, LLC (LANS), the company that manages the Laboratory, initiated a volunteer incentive program in 2007. The program was created to encourage Lab employees and retirees to give their time and talent to nonprofit organizations in the community. LANS incentivized the program by matching 100 hours of volunteer time with \$100 (\$1 for each hour), thus contributing up to \$500 to nonprofit organizations per employee.

The cumulative hours volunteered since 2007—1.53 million—have resulted in \$34.5 million in SROI. Based on the model developed by the Regents of the University of California, each hour is valued at \$22.55 based on the rate LANL has established for employee and retiree volunteer time. When calculated, the dollar value applied approximates a social ROI of \$34.5 million.

Debbi Wersonick manages the Laboratory's Volunteer Program from the LANL Community Programs Office. She says the number of nonprofit organizations that receive volunteer hours averages 230 annually. "This number remains fairly steady, as our employee and retiree volunteers tend to give their time to organizations they have connected with," Wersonick relates. "They continue to give their time year after year and are always eager to support new nonprofits when the opportunity arises."

In assessing the volunteer hours and monetary gifts that Lab employees and retirees donate, it's plain to see that the greater Laboratory community is vital to leveraging social services in the area. LANS matches employee donations up to \$1 million through the annual Employee Giving Campaign, which helped generate more than \$3 million in 2013. In addition, this year brought record-breaking contributions to the Los Alamos' Employees' Scholarship Fund, with more than 7.5 percent of the Lab workforce donating to the Fund. This generosity created \$577,000 in scholarships when coupled with the LANS match of \$250,000.

Northern New Mexico in particular would not have access to many social services without the aid of the region's nonprofit organizations, which provide adults and children with food, clothing, shelter, medical treatment, business assistance, financial assistance, tutoring and even wellness services for animals.

Improving the quality of life and building a thriving community are core tenets of the [Community Commitment Plan \(pdf\)](#), published annually by Los Alamos National Security and executed by the Laboratory's Community Programs Office.

"It's encouraging to see such heartfelt support," says Kurt Steinhaus, director of the Laboratory's Community Programs Office. "Building a thriving community here in northern New Mexico is more than just a dream; numbers like these confirm that Lab employees and retirees are playing active roles in achieving that goal."

¹ *Social return on investment* is a term that originates from return on investment (ROI), as used by traditional investors. It describes the social impact of a business or nonprofit's operations in dollar terms, relative to the investment required to create that impact and exclusive of its financial return to investors. [*Harvard Business Review*, "Guidelines for Social Return on Investment" (© 2004 The Regents of the University of California)]